



Jackson Energy Authority

Danny Wheeler
Senior Vice President
& Chief Financial Officer

April 14, 2004

Mr. Joe Werner, Chief
Telecommunications Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Dear Mr. Werner,

On July 15, 2003 the Jackson Energy Authority filed an application for a certificate of public convenience and necessity with the Tennessee Regulatory Authority as a carriers' carrier. A part of that application included a cost allocation manual for fiscal year ending June 30, 2004. The cost allocations for the Jackson Energy Authority were divided into two periods, one period as pre-startup (June through February) and the second period as post start beginning on March 1, 2004. It was our belief at that time that the system would be ready to begin connecting customers, providing service, and thus would be operational on March 1st.

Construction has taken longer than anticipated and we will not begin providing service until May 1, 2004. Therefore, we have delayed our implementation of the post startup allocation factors until May 1st.

If you have any question, please call me at 731-422-7207

Sincerely,

JACKSON ENERGY AUTHORITY

Danny Wheeler

/pdc

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TELECOMMUNICATIONS DIVISION